

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**Securities Exchange Act of 1934**  
**Release No. 57721 / April 25, 2008**

**Administrative Proceedings**  
**File No. 3-11590**

**In the Matter of**

**Janus Capital Management LLC,**

**Respondent.**

**ORDER APPROVING THE MODIFIED  
PLAN OF DISTRIBUTION**

**I.**

On August 18, 2004, the Commission issued an order in the above-captioned matter (the “Order”) instituting and simultaneously settling public administrative and cease-and-desist proceedings against Janus Capital Management LLC (“JCM”). The Order found that JCM allowed certain parties to conduct market timing in mutual funds it managed and thereby violated Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 and Sections 17(d) and 34(b) of the Investment Company Act of 1940 and Rule 17d-1 thereunder. Among other relief, the Order required JCM to pay disgorgement of \$50 million and a civil money penalty of \$50 million. The total amount of \$100 million was designated a Fair Fund (the “JCM Fair Fund”) under Section 308(a) of the Sarbanes-Oxley Act of 2002. The Order further required that JCM retain an independent distribution consultant (“IDC”) to develop a plan for distributing the \$100 million to shareholders in the mutual funds affected by the market timing (the “JCM Funds”). In December 2004, JCM engaged Professor Christopher James, the William H. Dial/Sun Bank Eminent Scholar and Professor of Finance at the University of Florida, as the IDC.

The Commission’s Division of Enforcement submitted the IDC’s Proposed Plan of Distribution (the “Published Plan”) to the Commission. In accordance with the Order, the Published Plan provides for the allocation and distribution of the JCM Fair Fund, including any accrued interest, to eligible accountholders as compensation for losses suffered by the JCM Funds due to market timing.

In accordance with the Commission’s Rules on Fair Fund and Disgorgement Plans (the “Fair Fund Rules”), 17 C.F.R. § 201.1100, *et seq.*, the Published Plan proposes a Fund Administrator and sets forth, among other things, procedures for the receipt of additional funds;









